Government of Saskatchewan

Annual Report 1985-86

Northern Affairs Secretariat

For the Fiscal Year Ending March 31, 1986

Minister
Honourable Graham Taylor

Secretary
Walter F. Keyes

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Minister's Letter of Transmittal

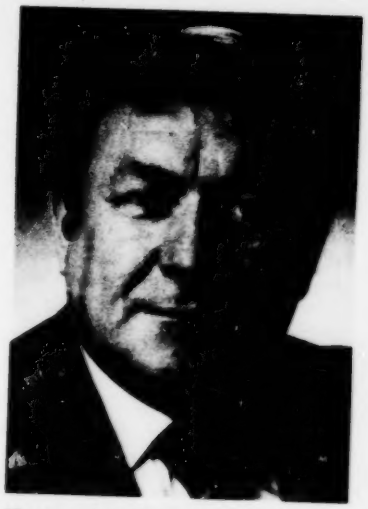
Honourable Frederick W. Johnson
Lieutenant Governor of the
Province of Saskatchewan

Sir:

I have the honour to submit the annual report of the Saskatchewan Northern Affairs Secretariat for the fiscal year ended March 31, 1986.

Respectfully submitted,

Graham Taylor
Minister Responsible for the
Northern Affairs Secretariat



Honourable Graham Taylor
Minister Responsible for the
Northern Affairs Secretariat

Secretary's Letter of Transmittal

Honourable Graham Taylor
Minister Responsible for the
Northern Affairs Secretariat

Sir:

I am pleased to present to you the annual report of the Saskatchewan Northern Affairs Secretariat for the fiscal year ended March 31, 1986.

Respectfully submitted,

Walter F. Keyes
Secretary

Walter F. Keyes, Secretary
Northern Affairs Secretariat

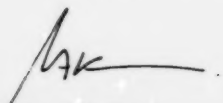
Message from the Secretary

Following an initial year devoted largely to organizational matters, the Northern Affairs Secretariat completed its second year of operation with several major projects having been concluded and a number of new endeavours set in motion.

In the year under review, Secretariat staff were challenged by the need for better coordination of government efforts in the north, and by the desire of northerners for more involvement in the development of policies, programs and services. A clear requirement was seen for better two-way communication between northern people and their provincial government.

Faced with these challenges, and charged with a broad mandate for coordination, communications and policy development, Secretariat activities sought to achieve multiple objectives. Through the administration of the Northern Economic Development Subsidiary Agreement, the Secretariat helped focus more than $7.5 million of provincial and federal funds on improving northern business and employment opportunities. In working with a wide range of government departments, the agency also achieved the goal of improving inter-agency coordination and awareness of northern issues and opportunities. The creation of the Northern Development Advisory Council in late 1985 represented a major step forward in enhancing dialogue between northern residents and government. The Council, which reports directly to the Minister Responsible for Northern Affairs, has generated great interest throughout the north and is expected to play an important role in helping determine the future course of the northern half of the province. In conjunction with the office of the Federal Economic Development Coordinator, the Secretariat contributed to the successful conclusion of an agreement between the Saskatchewan Power Corporation and Eldorado Nuclear for a transmission line from the hydro-electric stations at Uranium City. The line will not only serve the Eldor mine at Wollaston Lake, but will also provide an economical source of power to communities in the Athabasca region.

These achievements are representative of the evolving role of the Northern Affairs Secretariat. None would have been possible without the active cooperation of the staff of many provincial and federal departments and agencies and, perhaps most importantly, the enthusiasm and good will of the people of northern Saskatchewan.



Walter F. Keyes
Secretary

The Northern Year in Review

Fiscal year 1985-86 will be remembered in northern Saskatchewan as the "Year of the Gold Rush". While many other noteworthy events occurred, gold finds in the Brabant Lake — La Ronge area made headlines in newspapers and magazines across Canada. Early in the year, some stock promoters likened the Saskatchewan gold play to Hemlo, Ontario — one of the richest recent finds in the world. Later in the year, industry analysts downplayed the euphoria. Nonetheless, by year-end, one mine had been confirmed and was under construction at Star Lake. Dozens of other relatively small, high grade deposits were the subject of intensive exploration, creating hundreds of jobs and, in general, giving the local economy a welcome boost.

Uranium, too, captured its share of media attention. Saskatchewan's three operating mines continued production on schedule. Saskatchewan Mining Development Corporation announced 1984 sales of $133 million from the Key and Cluff Lake mines, and entered into a joint venture partnership to develop the largest high grade uranium deposit in the world, located at Cigar Lake.

Market analysts noted that this year was the first since 1982 when price and demand for uranium held steady, and predicted that growing demand for the product would require new production facilities by the mid-1990's. This was good news for northern residents seeking continued employment opportunities in the mineral industry.

Education and northern youth also made the news in this past year. The highly successful NORTEP program was funded again by the Department of Education, and new school construction was announced for Wollaston Post and Pelican Narrows. At the same time, the Northern Lights School division experienced financial problems and was under review. In Sandy Bay, the Hector Thiboutot School won first prize in a province-wide competition for producing the best elementary school newsletter.

In the health care field, a new hospital was promised to La Ronge for 1989-90 construction, and training courses were underway for the first class to graduate as northern Home Care Workers. The year ended with the initiation of a process to involve west side communities in planning for expanded health care facilities.

In late November, 1985, the Northern Development Advisory Council was established. By year end the Council had convened a number of times, both privately and with the public, to discuss issues of importance in northern development.

During the year under review, the Clearwater River in northwestern Saskatchewan was nominated as the province's first Canadian Heritage River. As part of this nomination process, Saskatchewan Parks and Renewable Resources held public Open Houses in several communities in northern Saskatchewan, as well as in Regina and Saskatoon. The people of La Loche, in particular, showed great interest in the local employment and business opportunities which may arise from the designation of the Clearwater as a Heritage River and the area's anticipated establishment as a Wilderness Provincial Park.

Across the province, on the northeastern boundary, Hudson Bay Mining and Smelting proposed a new nickel mining operation at Namew Lake near the settlement of Sturgeon Landing. While the mine would be located in Manitoba, Saskatchewan residents raised questions about the potential for employment and business opportunities associated with the mine.

The northern fishery was subject to considerable review and study in 1985-86. A touring Federal Senate Committee discussed fish marketing procedures with northern commercial fishermen, and the Department of Parks and Renewable Resources developed a discussion paper on conservation options for commercial users of the fishery. An important change in fish marketing came with the introduction of regulations permitting direct sale of commercially caught fish to Saskatchewan retail and wholesale outlets.

In forestry, news came at year end of the impending sale of the Prince Albert Pulp Company to Weyerhaeuser and the new owner's plans for construction of the first paper mill in the province's history. The mill is expected to provide 250 new full-time jobs.

Wild rice, the north's "Cinderella crop" last year with over one million pounds harvested, had a disappointing 1985-86 follow-up. High water and inclement weather throughout the fall harvest season resulted in production of less than 300,000 pounds. On the brighter side, however, a major step in rationalizing and improving the industry came with the creation in March, 1986, of an integrated Wild Rice Council. Plans were put in place to seek support from the Agricultural Development Fund for much needed production and market research, and to begin discussions with other provinces toward the formation of a national body.

Overall, 1985-86 was an eventful year for Saskatchewan's north. Hundreds of issues of importance to northerners occurred, sometimes hidden by the big resource development news that captured the limelight. Some of these are recalled on page eight of this report.

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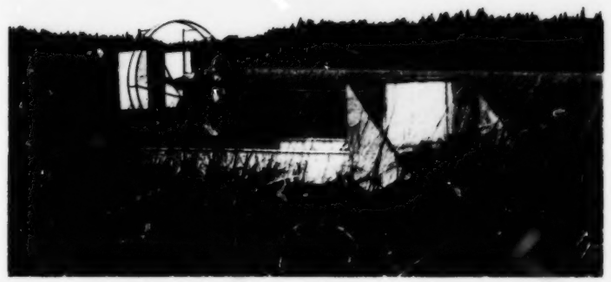

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1985-86 in Review

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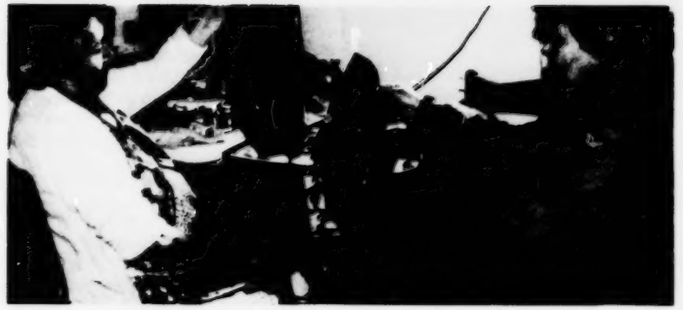

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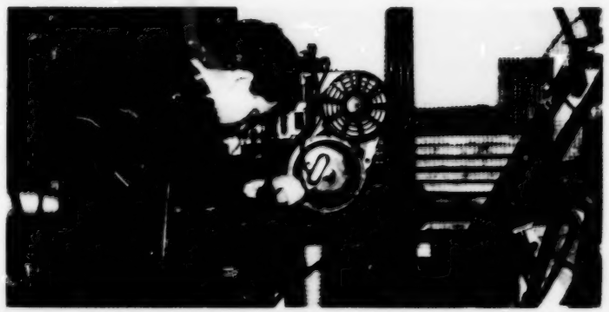

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1. West Side Community College students train for work at the Key Lake mine.
2. Deputy Minister's Secretary, Louise Hooker at the Secretariat's Regina Office.
3. Star Lake gold mine near La Ronge.
4. Star Lake construction.
5. Diamond Drill helpers train at La Ronge.
6. Harvesting Wild Rice.
7. Signing of funding agreement for wild rice research.
8. Key Lake Uranium mine.
9. Clerk Typist Shelley Gach at the Secretariat's La Ronge office.
10. A Buffalo Narrows Home Care trainee admires the handiwork of a senior citizen.
11. Flying Dust Band's truck driver training program.
12. Recreation Technicians are trained at La Ronge Community College.
13. Installing a motor during training in wild rice harvester construction and maintenance.

April

The Premier introduced amendments at the First Minister's Conference on Aboriginal Rights to assist both governments and aboriginal groups to recognize and affirm rights to self-government.

May

Saskatchewan Parks and Renewable Resources announced continued price support and transportation subsidies to northern Saskatchewan commercial fishermen.

June

The Saskatchewan Alcohol and Drug Abuse Commission funded the north's first summer camp, at Ile-a-la-Crosse, to provide education on alcohol and drug problems.

July

Eldor Mines and one of its contractors co-operated with Saskatchewan Advanced Education and Manpower to provide academic upgrading and apprenticeship training to over thirty northern employees in the Athabasca region.

August

Following much controversy, the Herbicide Task Force delivered a report recommending that more information on forest herbicides be made available to the public, and noting that Saskatchewan and Newfoundland are the only provinces not using such products.

September

In response to northern requests, the Saskatchewan Housing Corporation introduced a pilot log home construction program in Ile-a-la-Crosse, and announced the construction of "elder suites" in Buffalo Narrows.

October

Public meetings were held in west side communities in an attempt to develop local Early Childhood Intervention programs for detection and treatment of children with learning and developmental problems.

November

A report on wild fur production warned that Saskatchewan trappers and their industry are subject to changes dictated by the out-of-province and international fur industry. The largest number of furs delivered in Saskatchewan are muskrat, subject to extreme price fluctuation, while the province produces only about ten percent of Canada's most valuable fur-bearer-wild and ranch-raised mink.

December

Proposed **Income Tax** Act changes were announced to allow small exploration companies to accelerate development of mineral properties in northern Saskatchewan, providing welcome winter employment in drill camps and line cutting.

January

About 30,000 acres of provincial Crown land were transferred to the Fond du Lac Indian Band in fulfillment of Treaty obligations, after nearly ten years of negotiations.

February

The Kikinahk Friendship Centre in La Ronge officially opened its impressive new facility. The Honourable Frederick W. Johnson, Lieutenant Governor of the Province, was present to perform the opening ceremonies.

March

The Honourable Eric Berntson, Minister Responsible for the Saskatchewan Power Corporation, announced the conclusion of an agreement between the Corporation and Eldorado Nuclear to construct a transmission line from the hydro-electric stations near Uranium City to the Eldor Mine on the west side of Wollaston Lake.

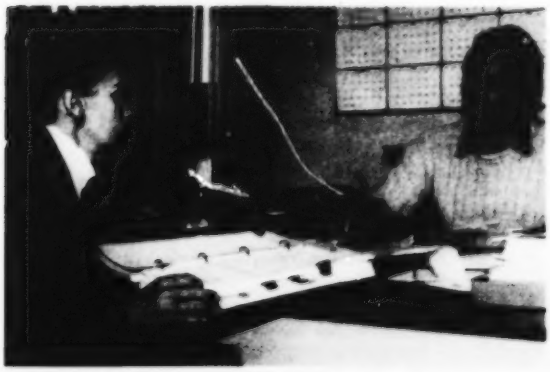
1985-86 Achievements

Northern Economic Development Subsidiary Agreement (NEDSA)

Administration of the provincial side of this five-year, $36 million Canada/Saskatchewan agreement is a major activity for Secretariat staff. The Agreement's broad objectives of enhancing northern business and employment opportunities cause personnel to develop an awareness of issues that often overlap agency mandates, and thereby assist the Secretariat to achieve its more general goal of providing inter-agency northern coordination.

In the year under review, 89 projects were approved under the NEDSA, resulting in federal and provincial financial commitments of about $7.5 million. With project benefits fairly well spread according to population distribution, the NEDSA, in its first full year of operation, has had an impact in most areas of northern Saskatchewan. The majority of provincial contributions to the NEDSA were made by the Departments of Tourism and Small Business, Agriculture, Education, Advanced Education and Manpower, and Social Services. The cooperation of these agencies ensured the capture of matching federal expenditures for northern development purposes, and resulted in a variety of successful northern initiatives during the fiscal year.

Training for northern employment was a particular NEDSA highlight in 1985-86. About 25% of all projects approved involved accredited training, and saw graduates move into jobs in the mineral industry, in local government and non-government organizations, and in private enterprise.



La Ronge Branch Manager, Brian Goffin and Administrative Officer, Carol Rowlett review NEDSA applications.

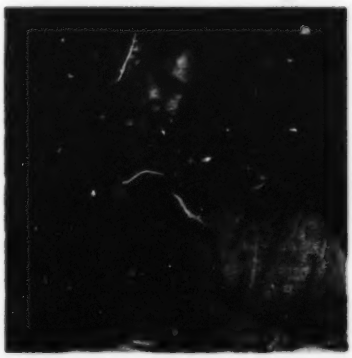
Proud graduates of the first Home Care Workers Course, funded through the NEDSA, pose with instructor Joan Fischer and co-ordinator Mirielle Keeling at the West Side Community College.

Northern Development Advisory Council

The Northern Development Advisory Council, which reports directly to the Minister Responsible for Northern Affairs, was formed November 30, 1985. The 11-member body was charged with the mandate of promoting northern development and increasing the participation of northerners in the formulation of policies, programs and services.

Potential members for the Council were identified through a public nomination process. From over 75 names submitted, the following members were appointed on the basis of outstanding personal qualifications and a strong commitment to northern development:

• Bill Klassen, Chairman	Prince Albert
• Louis Bear	Sandy Bay
• John Carriere	Cumberland House
• Wanda M. Cataract	Turnor Lake
• Tony Durocher	Ile-a-la-Crosse
• Anne Hyrniuk	La Ronge
• Walter Kupsch	Saskatoon
• Joe Roberts	Stanley Mission
• Ron Scrimshaw	Calgary
• Ben Siemens	Stony Rapids
• Vicars Short	Prince Albert



NDAC Secretary, Richard Turkheim, and Research Officer, Joanne Epp, review plans for upcoming Council meetings.

After two organizational meetings, the Council held its first public meeting in Buffalo Narrows on February 5, 1986. Other meetings followed in Denare Beach and Cumberland House in March. Issues raised with the Council included concerns about health care, resource use, land tenure, transportation, and many others. Commercial fishermen, municipal officials, trappers and northern business people were among those who made presentations to the Council.

In dealing with these and future issues, the Council will be providing advice and recommendations to government through the Minister Responsible for Northern Affairs. The Council expects in the coming year to explore development strategies which will help communities profit from opportunities and overcome problems which inhibit economic and social well-being.

The Northern Development Advisory Council. Top row left to right: Tony Durocher, Louis Bear, Joe Roberts, John Carriere, Ron Scrimshaw, Ben Siemens. Front Row, left to right: Vicars Short, Wanda Cataract, Bill Klassen (Chairman), Sid Dutchak former Minister responsible for Northern Affairs, Anne Hyrniuk, Walter Kupsch.

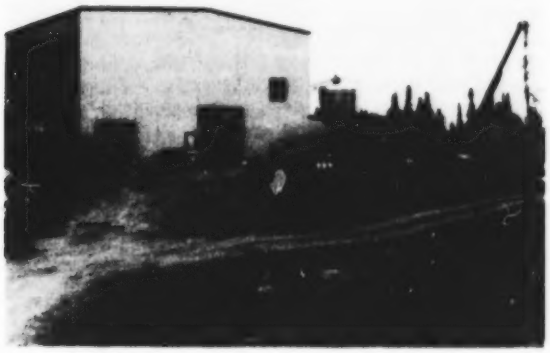
Mineral Surface Leases

In 1985-86, Secretariat staff became directly involved in major northern development projects through the negotiation, on behalf of government, of Crown land mineral surface leases. The leases are required by industry proponents wishing to develop mining and milling facilities in northern Saskatchewan.

Lease negotiation involves co-ordination of a variety of provincial agencies which have a regulatory presence in the mineral industry. The final objective is the production of a legal document which allows the development to proceed but which is sensitive to the needs of the proponent, government and the public interest.

Mineral surface leases in northern Saskatchewan have historically included components dealing with northern socio-economic benefits as well as with purely regulatory matters. Following an internal review, a format was developed for each proponent to enter into a formal human resource planning process related to the development. This process was established to ensure maximum participation by northern residents in employment opportunities afforded by the north's mineral industry. In the year under review one lease was successfully completed, resulting in development of the Star Lake gold mine north of La Ronge. Continued exploration on a number of mineral properties in this general area promises more activity over the next year.

The uranium mining industry also saw some new developments during the year. Announcement of joint-venture partnerships suggested future development of a new, high grade ore body near Waterbury Lake, and existing operators began discussion with government agencies about new processing and expansion possibilities.



Star Lake Mill construction.

Continued development of the north's mineral wealth bodes well for northern Saskatchewan's economy, and promises a busy time ahead for the Secretariat.

Athabasca Hydro-Electric Transmission Line

One of the consequences of the 1982 Beaverlodge mine closure in Uranium City was that three hydro-electric generating stations in the area became redundant. Since late 1984, the Secretariat has co-ordinated provincial input to a proposal to extend a transmission line from Uranium City to the Eldor uranium mine of the west side of Wollaston Lake. The proposal, co-sponsored by Eldorado Nuclear and Saskatchewan Power Corporation, was confirmed in March, 1985. This $40 - 50 million project, which will

create significant short-term employment, will supply Athabasca communities with an economical source of power for residential and commercial use and provide important economic infrastructure for the future development of the region.

Liaison, Coordination and Communications

A major challenge of the Secretariat is to help ensure that all legitimate interests are considered in the formulation and application of policies and programs which affect to serve the north.

Toward this end, staff visited many northern communities and discussed the opportunities and challenges of northern development with both traditional leaders and the emerging leadership of northern towns and villages. During the year, the Secretariat also met with representatives of the mining, fishing, forestry, trapping, wild rice and other industries. The agency was very active, as well, in the internal coordinating processes of government and was represented on study groups, policy committees and federal-provincial liaison groups dealing with subjects as diverse as native programming, the commercial fishery and the development of the northern labour market.

The Secretariat was often approached for information and advice on northern matters. To help make northern communities better known to potential visitors, investors and the public at large, staff researched and developed a northern Community Directory for publication in 1986-87. To promote within government a better understanding and awareness of the north, Secretariat staff sponsored several formal orientation and briefing sessions for senior officials from both the provincial and federal systems.

Secretary, Walter Keyes, Assistant Secretary, Darcy Mitchell and Administrative Officer, Alex Ostoforoff discuss work plans for the year.

Northern Saskatchewan